

# *Evaluation*



# *Report*

OFFICE OF THE INSPECTOR GENERAL

**EVALUATION OF THE DEFENSE NUCLEAR AGENCY'S  
COOPERATIVE THREAT REDUCTION OFFICE**

Report No. 96-004

October 12, 1995

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**DEPARTMENT OF DEFENSE**

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### **Acronyms**

OATSD(AE)	Office of the Assistant to the Secretary of Defense (Atomic Energy)
CTR	Cooperative Threat Reduction
DNA	Defense Nuclear Agency
ICAM	Integrated Computer Aided Manufacturing Definition
IDEF	ICAM Definition Language



**INSPECTOR GENERAL  
DEPARTMENT OF DEFENSE  
400 ARMY NAVY DRIVE  
ARLINGTON, VIRGINIA 22202-2884**



October 12, 1995

**MEMORANDUM FOR DIRECTOR, DEFENSE NUCLEAR AGENCY**

**SUBJECT: Evaluation of the Defense Nuclear Agency's Cooperative Threat Reduction Office (Report No. 96-004)**

Enclosed is the evaluation that you requested on the Cooperative Threat Reduction (CTR) Office at your agency. We modified our initial focus to determine if better definition was needed for the respective roles and responsibilities of the CTR Offices at the Defense Nuclear Agency and the Office of the Assistant to the Secretary of Defense (Atomic Energy).

We conclude that the situation, at a minimum, requires the two CTR offices to agree to, and consistently implement a more detailed description of their roles and responsibilities under the parameters set forth by the current general guidance. Other alternative approaches to assigning roles and responsibilities between the two offices which would require more significant implementation steps are also assessed in the evaluation.

We hope this report will be of value to you and we would appreciate your feedback on the report. Please direct your comments to Mr. David House, at (703) 604-8783.

*David K. Steensma*

David K. Steensma  
Deputy Assistant Inspector General  
for Auditing

Enclosure

**Office of the Inspector General, DoD****Report No. 96-004****October 12, 1995****Evaluation of the Defense Nuclear Agency's  
Cooperative Threat Reduction Office****Executive Summary**

**Introduction.** At the request of the Director, Defense Nuclear Agency, we performed an evaluation at the Defense Nuclear Agency's Cooperative Threat Reduction office. The purpose of the evaluation was to determine the Defense Nuclear Agency's ability to discharge assigned Cooperative Threat Reduction (CTR) program execution responsibilities. Our evaluation concentrated on the efficiency of executing the CTR mission and did not consider the merits or political objectives of the program itself. We interviewed DoD personnel involved in the CTR process but did not speak with personnel from non-DoD Agencies.

**Results.** Our initial research showed that while high level guidance provides a statement of the actions required to accomplish the CTR mission, a plan or charter for implementing that mission which provides a definition of the roles and responsibilities between the CTR Office within DNA and another CTR Office within the Office of the Assistant to the Secretary of Defense (Atomic Energy) (OATSD(AE)) had not been established. In addition, officials in the two offices voiced different views on what the respective roles of the offices should be. Because of this condition, we could not address our original objectives. We modified our focus to determine if better definition of the respective roles of the DNA and OATSD(AE) offices was needed and, if so, assess alternatives that address the situation.

We concluded that management should take action to better define the relative roles and responsibilities of the two offices. Such action would need to provide a clear distinction among oversight, program management, and project execution. While we cannot quantify the impact from not correcting this situation, we found indications that the efficiency of key elements of the CTR process--technical requirements and contracting--are affected.

We assessed three general alternatives for defining and assigning roles and responsibilities between the two offices:

1. Retention of the current overall guidance and structure with establishment of more detailed guidance that differentiates the roles and responsibilities between the two offices.
2. Changes in the overall guidance and structure to assign greater program management and execution responsibilities within the DNA.

3. Changes in overall guidance and structure that assign greater program management and execution responsibilities to the OATSD(AE) Office.

Criteria used to assess these alternatives included whether the alternative permitted clear communication of roles and responsibilities and if the alternative allowed delegation of authority to the lowest possible level consistent with the mission. Implementation considerations discussed included compliance with Congressional intent, amount of higher-level intervention required, and if the alternative made use of existing expertise.

In our analysis, we point out how Alternative 2 may provide the opportunity for a more workable distinction among oversight, program management, and program execution responsibilities. This alternative may also permit decentralization that is more consistent with the organizational criteria we have established. However, given implementation considerations, Alternative 1 may be more viable.

We suggest that the Director, DNA, draft a roles, mission, and responsibility charter for the CTR offices in DNA and OATSD(AE). The charter should clearly differentiate the duties of program management and project execution and provide for means of resolving disputes. If this charter cannot be established through a memorandum of understanding between the two agencies, approval should be sought from the Secretary or Deputy Secretary of Defense.

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## **PART I - INTRODUCTION**

### **REQUEST TO EXAMINE COOPERATIVE THREAT REDUCTION PROGRAM AT DNA**

In 1991, Congress authorized a Cooperative Threat Reduction (CTR) program within DoD to reduce the threats posed by weapons of mass destruction in the states of the former Soviet Union. Congress subsequently directed DoD to take other actions in this area including helping to convert the defense industries in the states of the former Soviet Union to civilian use. Congress initially authorized approximately \$400 million per year in spending authority for the CTR program.

While numerous agencies are involved with the CTR program, the Assistant to the Secretary of Defense (Atomic Energy), has overall management and oversight responsibility for the program within DoD. As of May 1994, a program office for CTR was established within the Office of the Assistant to the Secretary of Defense (Atomic Energy) (OATSD(AE)). One agency which interfaces with OATSD(AE) in the CTR arena is the Defense Nuclear Agency (DNA). The Director of DNA requested this evaluation.

### **PURPOSE OF EVALUATION**

Our purpose was to evaluate the DNA ability to discharge assigned program execution responsibilities efficiently.

### **INITIAL OBJECTIVES**

To achieve this purpose, we initially set out to accomplish the following three objectives, which were predicated on having a set of missions, functions, and roles for the DNA office that we could analyze.

1. Determine if the specific mission, roles, responsibilities, and authority of the DNA Cooperative Threat Reduction Program Office are clearly defined.
2. Evaluate the efficiency of the process and mechanisms used to provide direction and policy, and accomplish program execution within the the DNA Cooperative Threat Reduction Program Office.
3. Evaluate the adequacy and efficiency of the current DNA Cooperative Threat Reduction Office organizational structure, staffing, span of control, authority, responsibility, and accountability.

### **APPROACH AND REDIRECTION**

To obtain information on the mission, roles, responsibilities, and authority of the DNA Cooperative Threat Reduction office, we conducted interviews and collected documentation inside and outside the DNA. We also observed and collected documents from process modeling workshops conducted by staff of the DoD

Corporate Information Management initiative. (Details on interviews and documentation reviewed is at Appendix A.)

**Focused on Defining  
Roles for CTR  
Offices**

Our initial research showed that while high level guidance provides a statement of the actions required to accomplish the CTR mission, a plan or charter for implementing that mission which provides a definition of the roles and responsibilities between OATSD(AE) and DNA had not been established. In addition, officials in the CTR offices at OATSD(AE) and at the DNA voiced different views on what the respective roles of the two offices should be.

Because we had no agreed to or documented definition of the roles and responsibilities for the DNA CTR office, we could not accomplish our original objectives. Instead, we modified our objectives to focus on determining if better definition of the respective roles of the DNA and OATSD(AE) offices was needed and, if so, assessing alternatives that might address this situation.

**SCOPE AND  
LIMITATIONS**

Our evaluation did not consider the merits of the CTR program, or the political feasibility of any alternatives considered. In addition, while we conducted additional interviews after modifying our original objectives, we limited our interviews to the Department of Defense and did not include non-DoD Agencies involved in the CTR process. Also, we did not look at the Audit and Exam process conducted by the Onsite Inspection Agency in the states of the former Soviet Union. We worked on the project from March to September 1995.

**CRITERIA**

Our criteria for assessing alternative ways for organizations to define roles and responsibilities are derived from our review and interpretation of appropriate management literature and observations made in the Commission on Roles and Missions regarding the proper role for Office of the Secretary of Defense offices. Specific information on the criteria and our sources are cited in the body of the report.



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## PART II - BACKGROUND

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### LEGISLATION CREATING THE CTR PROGRAM

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Congress enacted legislation (Nunn-Lugar Act of 1991) and authorized funding for the United States to provide assistance to the states of the former Soviet Union that possessed nuclear weapons (Russia, Ukraine, Belarus, and Kazakhstan). The legislation specified the following objectives for the CTR program:

#### FIVE OBJECTIVES FOR PROGRAM

- Facilitate transportation, storage, safeguarding and elimination of nuclear and other weapons;
- Facilitate prevention of proliferation and establish verifiable safeguards;
- Facilitate prevention of the diversion of weapons related scientific expertise to terrorist groups or third world countries;
- Support demilitarization of defense-related industry and conversion of such industry and equipment to civilian purposes and uses;
- Expand military-to-military and defense contacts between the U.S. and the independent states.

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### ORGANIZATIONS WHO RUN THE PROGRAM

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#### HIGH-LEVEL PARTICIPANTS

Responding to the Nunn-Lugar Act, the President delegated executive agency responsibility for the CTR program to DoD. On April 28, 1993, the Secretary of Defense assigned overall policy guidance for the program to the Assistant Secretary of Defense (International Security Policy). The ATSD(AE) was assigned overall management responsibility for program implementation.

#### SHIFTS IN THE ROLE PLAYED BY DNA

Documentation describing the relative role of the OATSD(AE) and the DNA show several changes between 1993 and mid-1994. Two actions would appear to have increased the DNA responsibilities in the CTR process.

- In January 1993, the ATSD(AE) issued a memorandum delegating to DNA program implementation responsibilities for activities with Republics of the former Soviet Union under the Nunn-Lugar Act.
- In a March 11, 1994 memorandum, the ATSD(AE) further defined responsibilities by delegating program management responsibility to the DNA at the direction of the ATSD(AE).

Two months later, a third action, established a new office with responsibilities for implementing the CTR program. The May 1994 memorandum signed by the Deputy Secretary of Defense established a Cooperative Threat Reduction Program Office within the OATSD (AE). According to the memorandum, this action would "strengthen and hasten implementation of the CTR program."

**COOPERATIVE  
THREAT  
REDUCTION  
PLAYERS**

The relative place of the DNA and OATSD(AE) offices, and the place played by other agencies is shown in Figure 1, following page.

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<sup>1</sup> Memorandum for Secretary Of Defense, From Assistant Secretary Of Defense for International Security Policy And Assistant to the Secretary of Defense for Atomic Energy, Subject: Strengthening Cooperative Threat Reduction (CTR) Implementation. Decision Memorandum, May 3, 1994.

## U.S. CTR ORGANIZATION

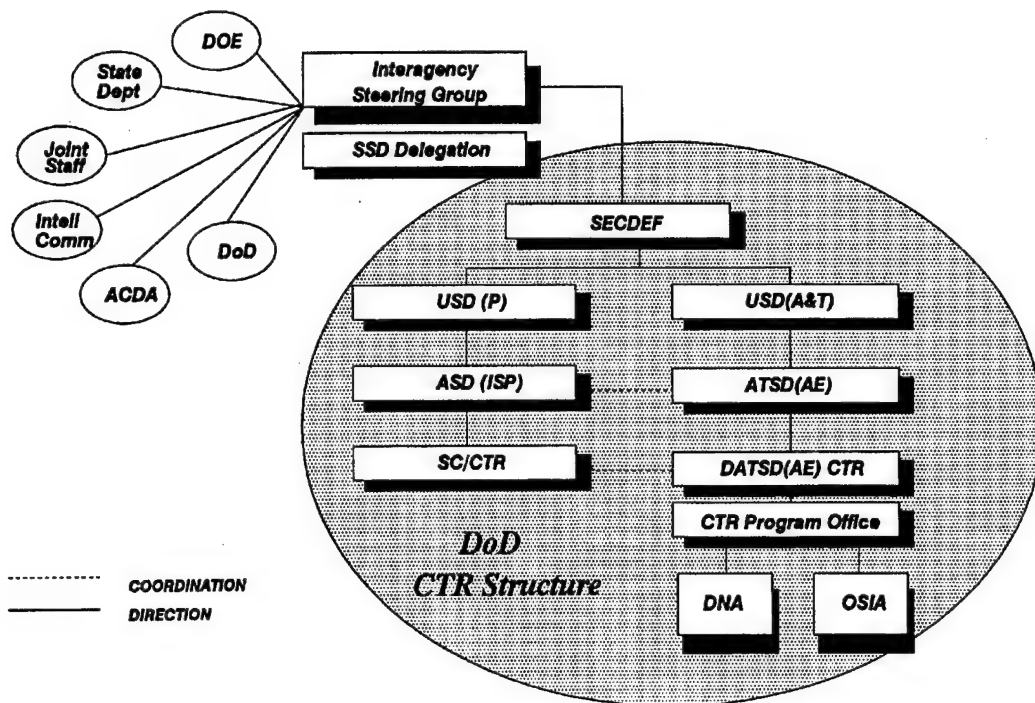


Figure 1

### CTR PROCESS COMPLICATED

The CTR process is complicated, but it basically involves five major steps. The process is illustrated in Figure 2, and the steps are defined below:

- **Umbrella Agreements:** Umbrella agreements provide the general framework for assistance to the individual states of the former Soviet Union (Russia, Belarus, Ukraine, Kazakhstan). The agreements are negotiated and signed by Heads of State and are a prerequisite for individual implementing agreements.
- **Implementing Agreements:** Implementing agreements define the specific projects to be implemented in the four independent states. The agreements are signed at the ministerial level and the Assistant Secretary of Defense

for International Security Policy is the acting agent for the United States.

- **Experts/Technical Meeting/Requirements Definition:** With a broadly defined implementing agreement, meetings are held to refine the assistance to be provided on individual projects. These address various technical issues and leads to the development of specifications needed for contract statement of work and Request for Proposals. Attendees at the meetings have included representatives from policy offices and the CTR offices at OATSD(AE) and DNA.
- **Project Plan/Contracting Process:** The DNA CTR office develops a project plan based on the results of the technical meetings. Included in the plan are an acquisition strategy, project milestones, and complete project scope. The DNA Acquisition Management Directorate then procures goods and services.
- **Execution/Delivery:** Execution includes the actual purchase of equipment, services, life cycle support, product shipment, and verification of delivery.

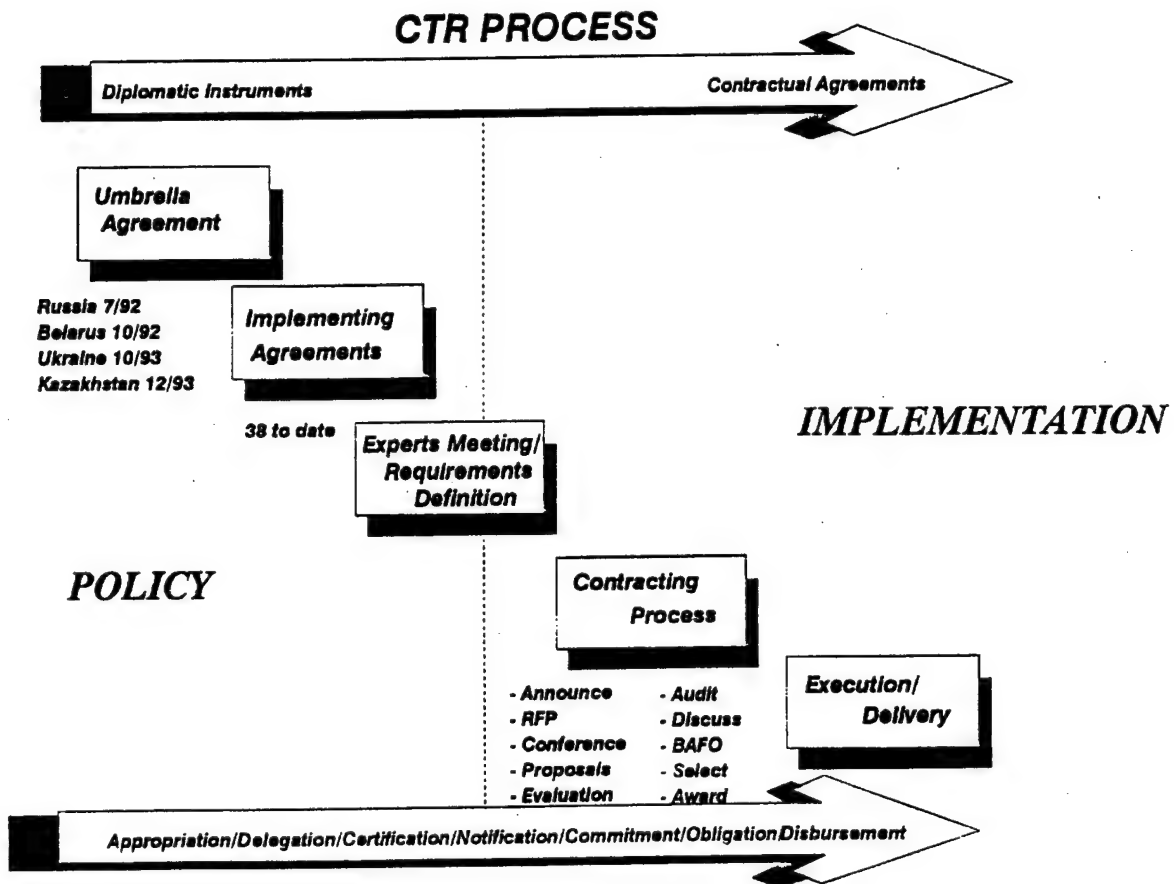


Figure 2

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## **PART III - ORGANIZATIONAL ISSUES AND ALTERNATIVES**

In this section, we first provide an overview of our findings. We then note our criteria for assessing how organizations define roles and responsibilities, detail the situation we found within the CTR programs at OATSD(AE) and DNA, and examine various alternatives for correcting the situation.

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### **OVERVIEW**

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Support exists for the organizational criteria that says leaders of organizations performing complex tasks should make sure roles and responsibilities are well understood and they should delegate authority and responsibility to the lowest level possible consistent with the mission.

At the time of our evaluation, while high level officials provided general guidance on what part different organizations played in the CTR arena, a charter for implementing that guidance which provides a clear definition of the roles and responsibilities between the CTR offices within the OATSD(AE) and the DNA had not been established. This situation has occurred because differing views exist on how the general guidance should be implemented, and these differences have not been resolved. Areas of concern include the differentiation among oversight, program management and program execution responsibilities, and the way that tasks should be assigned. While we cannot quantify the impact of this situation, we found indications that the efficiency of key elements of the CTR program are affected.

At a minimum, correcting the situation requires the CTR offices within OATSD(AE) and the DNA to agree to, and consistently implement a more detailed description of their roles and responsibilities under the parameters set forth by the current general guidance. Other alternative approaches to assigning roles and responsibilities between the two offices would require adjustments in the current general guidance and higher-level intervention. However, these alternatives should be considered since they may provide the opportunity for a more workable distinction among oversight, program management, and program execution responsibilities. The more far-reaching alternatives may also permit decentralization that is more consistent with the organizational criteria we have established.

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CRITERIA

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While no authoritative criteria exists, our review of pertinent management literature lead us to formulate two basic principles for assessing how organizations define roles and responsibilities.

*Criteria 1: Clearly Communicate Roles and Responsibilities.*

This criteria asserts that roles and responsibilities should be documented and well-understood across the organization. Reports of "Best Practices" in the private and public sectors indicate that this is particularly important with complex systems.<sup>1</sup> While there are obviously no "benchmarks" for a system designed to help a former adversary dismantle weapons of mass destruction, we assume that the complexity of this operation make this criteria applicable to that situation.

*Criteria 2: Delegate authority and responsibility to the lowest possible level in the organization consistent with accomplishment of the mission.*

This criteria is based on the viewpoint, expressed often in the management literature, that significant benefits accrue from delegating authority and responsibility down the organization. Benefits noted include increasing the speed of decisions improving the quality of decisions by giving authority to those with first-hand knowledge of the situation. This principle is also a key tenant of the Vice President's National Performance Review which views decentralization as a means to reduce layering and the number of supervisors required. One risk noted if decentralization is pursued incorrectly or in the wrong situations is that highly interdependent processes may become uncoordinated efforts.<sup>2</sup>

Decentralization in the context of assigning roles and responsibilities between the Office of the Secretary and other activities in DoD, was the subject of a recent finding by the Commission on Roles and Missions. The report stated that many [Office of the Secretary of Defense staff] "focus on what is being done in their broad functional areas at the expense of their primary role of providing objective advice to the secretary". This is consistent with comments in the management literature concerning the need for Office of the Secretary of Defense staff

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1 For a discussion of the need to define roles and responsibilities in the telecommunications field see General Accounting Office, DEFENSE COMMUNICATIONS: Management Problems Jeopardize DISN Implementation, GAO/AIMD-95-136, July 1995.

2 Thirteen citations on the virtues of decentralized organization are provided in Dan A. Cothran, "Entrepreneurial Budgeting: An Emerging Reform?," *Public Administration Review*, September/October 1993, p. 453.



to clarify boundaries and delegate accordingly.<sup>3</sup> This question of administrative boundaries is central to the situation we found at the CTR offices at OATSD(AE) and DNA.

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## CONDITIONS FOUND REGARDING ROLES AND RESPONSIBILITIES AT THE CTR OFFICES AT OATSD(AE) (AE) AND DNA

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### ORGANIZATIONAL STRUCTURE

The organizational structures established for the CTR offices within the OATSD(AE) and the at DNA at the time of our evaluation are shown in Figure 3. Each office has four main divisions, aligned with key objectives of the CTR program. The divisions parallel each other and are headed by GM 15/O-6 Division chiefs. Our concern was less with the structures set up for the offices than with the roles and responsibilities assigned to the respective staffs.

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<sup>3</sup> For discussion of decentralization and Office of the Secretary of Defense that traces the issue back to the early 1960's, see Fred Thompson and L. R. Jones, *Reinventing the Pentagon*, Josey-Bass, Inc., San Francisco, 1994, pp. 24-25.

### Current DoD CTR Organization

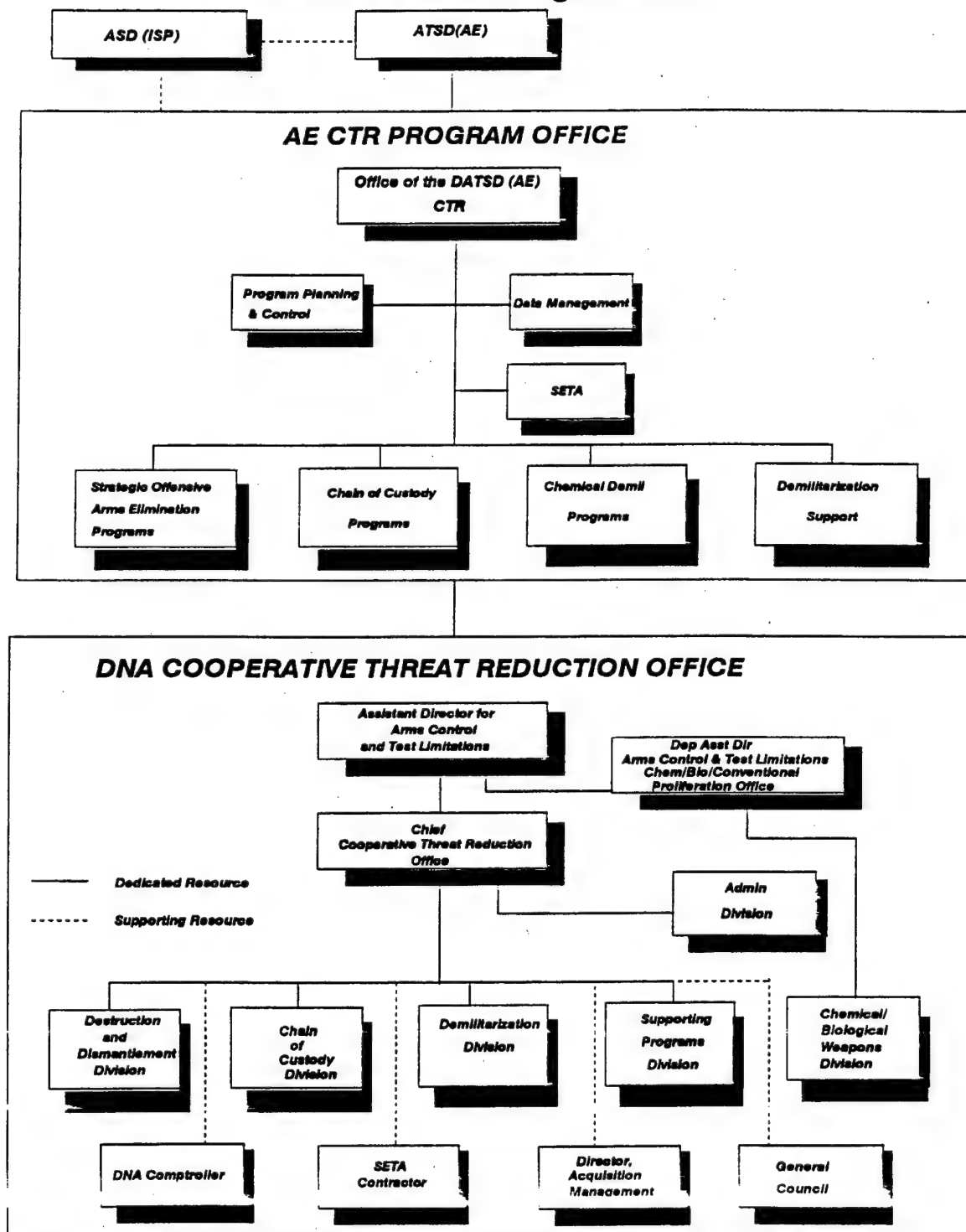


Figure 3

**EXISTING  
GUIDANCE  
PROVIDES GENERAL  
PARAMETERS FOR  
ROLES**

High level guidance did address the relative roles of the two offices. The attachment to the memorandum approved by the Deputy Secretary of Defense on May 4, 1994 notes that the CTR program office in OATSD(AE) "oversees and manages execution of agreed CTR projects using dedicated resources provided by the Defense Nuclear Agency..." Moreover, the memorandum states that the head of the CTR office in OATSD(AE) "shall have overall responsibility for management and execution and act as the program's chief operating officer focusing on the day-to-day program management activities."

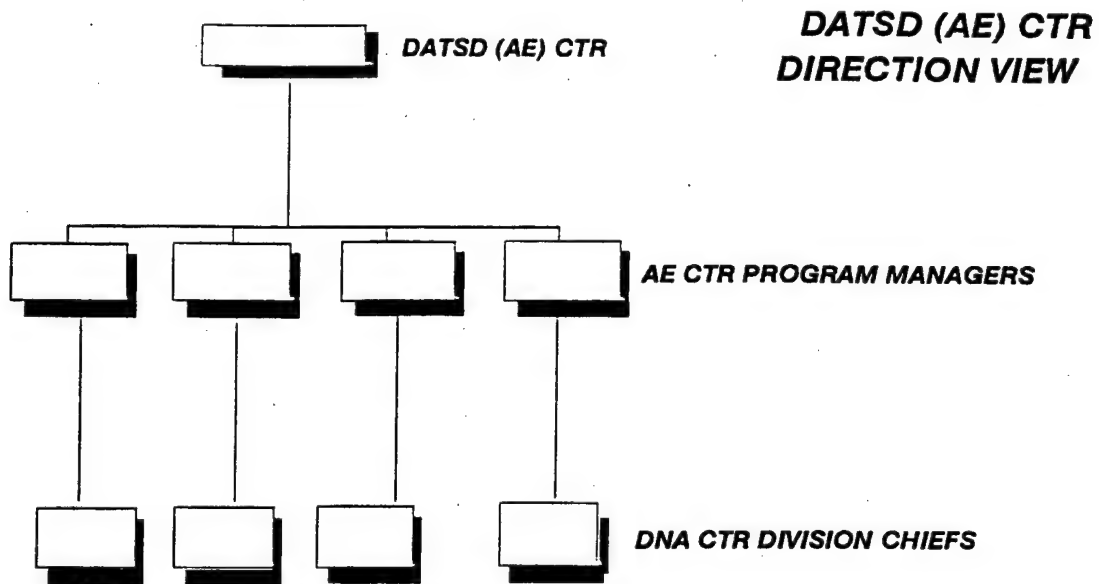
Another broad statement of responsibilities for the two offices is in the classified multi-year Cooperative Threat Reduction Program Plan. As stated in the Program Plan the OATSD(AE) CTR Program office "develops, coordinates, executes, and monitors the Cooperative Threat Reduction Program." While the DNA Office is "responsible for executing CTR projects and provides the first line project management and performance oversight."

**EVIDENCE THAT  
FURTHER  
DEFINITION OF  
ROLES AND  
RESPONSIBILITIES  
REQUIRED**

While this high level guidance provides general parameters for the program, our interviews and documentation reviews provided evidence that more definitive statements were needed. Specifically we found:

- During computer assisted dialogues conducted in connection with process activity modeling, and attended by staff of both the DNA and OATSD(AE) offices, 7 of 11 documented comments concerning CTR execution and direction made reference to the lack of written policy/guidance and defined roles and responsibilities. Comments mentioned that attempts had been made to formulate a charter delineating the roles of the two offices, but it had not been completed.

- In interviews, the senior leadership of the two CTR offices differed in their view on the direction and feedback process (See Figure 4). The Deputy Assistant to the Secretary of Defense (Atomic Energy) for CTR, told us that direction should flow from him through his program managers directly to the DNA Division Chiefs, bypassing the Assistant Director for Arms Control and Test Limitations and the Chief, DNA Cooperative Threat Reduction Office. On the other hand, the DNA Assistant Director for Arms Control and Test Limitations believes that DNA should have the authority, responsibility, and accountability for project execution with overall program direction coming from the Deputy Assistant to the Secretary of Defense (Atomic Energy) for CTR. In the view of DNA officials, positions of authority and responsibility (Assistant Director for Arms Control and the Chief, Cooperative Threat Reduction Office) have been improperly cut out of the direction loop.



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**DNA CTR DIRECTION VIEW**

**AE CTR PROGRAM MANAGERS**

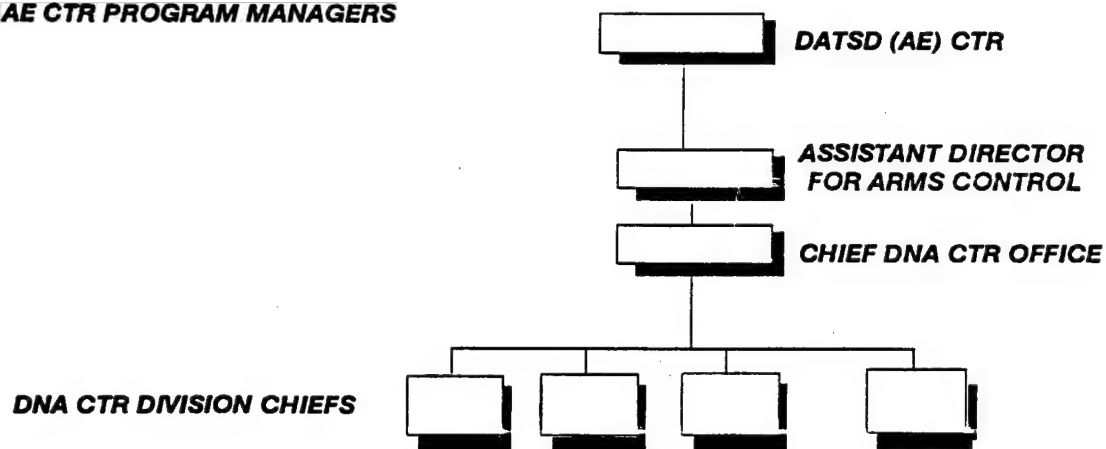


Figure 4

- OATSD(AE) CTR staff office told us they were responsible for strategic planning, budget and reporting, interface with interagency groups, and coordination of policy issues with the Assistant Secretary of Defense for International Security Policy. DNA staff voiced the view that the other office was more involved in operational matters.

- We found no approved documentation that specified duties and responsibilities for the respective officials established since the creation of the OATSD(AE) program office.

**UNCLEAR  
BOUNDARIES  
IMPACT KEY CTR  
PROCESS**

This information points to the need for clarification of the administrative boundaries between the two CTR program offices. However, we recognize that taking such action uses a valuable resource--management time and attention--to both establish the boundaries and enforce the guidance. Because of this, we generally only urge such actions when there are demonstrated impacts that will occur in the absence of more definitive guidance. In this case, while we cannot precisely quantify the impact of the problem on the efficiency of the CTR process, we found indications that two key steps in the CTR process are being negatively impacted by the condition: the requirements definition stage and the contracting process. These impacts are discussed below.

**TECHNICAL  
REQUIREMENTS**

A key step in the overall CTR process is the determination of technical requirements once implementing agreements are established. Thirty-eight such agreements had been established at the time of our evaluation. Figure 4 provides a flow chart of the key steps in the determination of technical requirements. The chart is based on activity modeling performed by staff at the two offices with the assistance of the DoD Corporate Information Management personnel. The flowchart is consistent with the information we obtained from interviews with staff but was not validated by agency leadership.

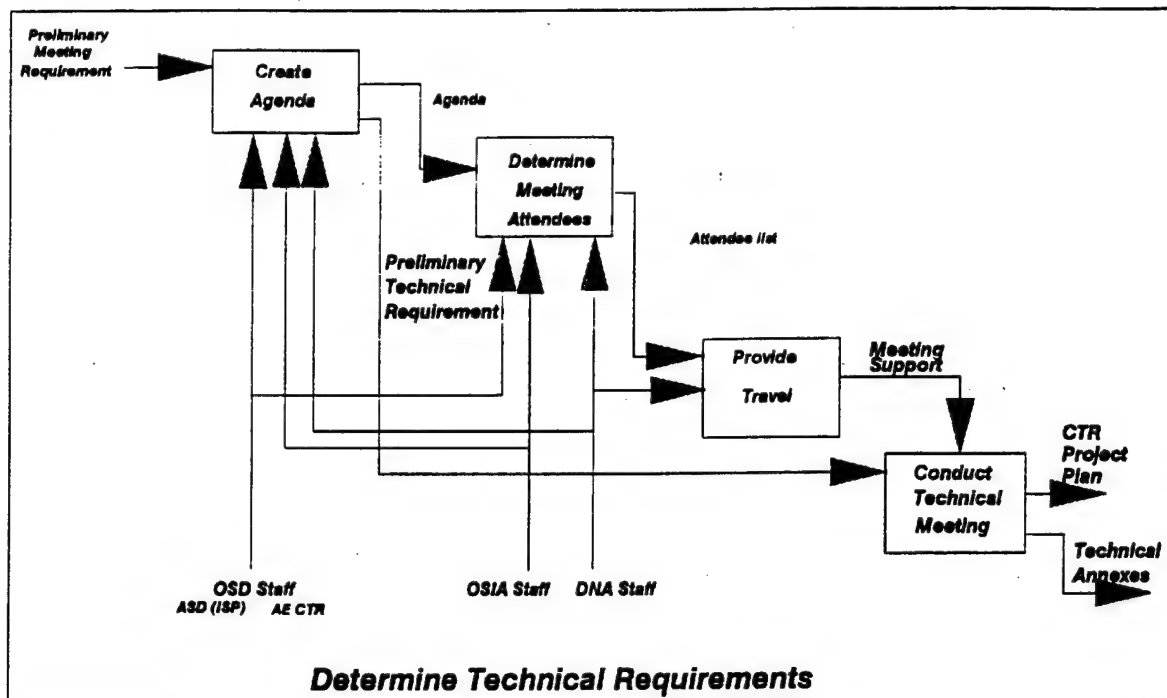


Figure 5

### Technical Requirements Meetings

In brief, the results of the technical meeting form the basis for drafting the detailed project plan which is done by DNA CTR personnel. Numerous players are involved in the technical meetings including staff from OATSD(AE) and the DNA CTR program offices and staff from the On-Site Inspection Agency. Based on interviews from both CTR offices, we found that the OATSD(AE) office has determined who attends and leads the meetings. DNA CTR personnel provide the technical experts for the meeting and draft the project plan for execution.

### Who Determines Attendees at Technical Meeting

DNA CTR officials cited an instance where DNA personnel/technical experts responsible for the project plan development were excluded from essential meetings resulting in incomplete technical information for completing the plans on a multi-million dollar project. In their view, this caused a delay in the project plan development, approval, and actual project execution. However, OATSD(AE) officials believed they should retain this responsibility. This example argues for the clarification of roles and responsibilities in this area so accountability for problems that occur can be firmly established.

## CONTRACTING PROCESS

### *Different Viewpoints on Roles in Acquisition Process*

Another example where failure to clarify boundaries may impact on organizational efficiency is in the process of acquiring CTR goods, support, and services.

Figure 6 is the activity model for acquiring CTR goods and services. As with the previous flowchart, it was not validated by agency leadership, but it is consistent with the information we obtained from interviews with staff. The figure shows the OATSD(AE) program office involved in the development of the statement of work and source selection along with the DNA CTR Office and the DNA Acquisition Management Directorate. DNA officials saw this activity as the sole responsibility of the DNA who should then be held accountable as project executors and expressed the view that it should not involve the OATSD(AE) CTR Office except in a broad oversight role. However, our interviews also indicated that OATSD(AE) CTR personnel wanted to oversee and have input into the Statements of Work and Requests for Proposal, and be involved in source selection.

These differing viewpoints support the assertion that the organizations should clarify responsibilities in the acquisition arena. Whatever the disposition of the matter, the office retaining authority in the area will need to have the requisite acquisition training and experience.

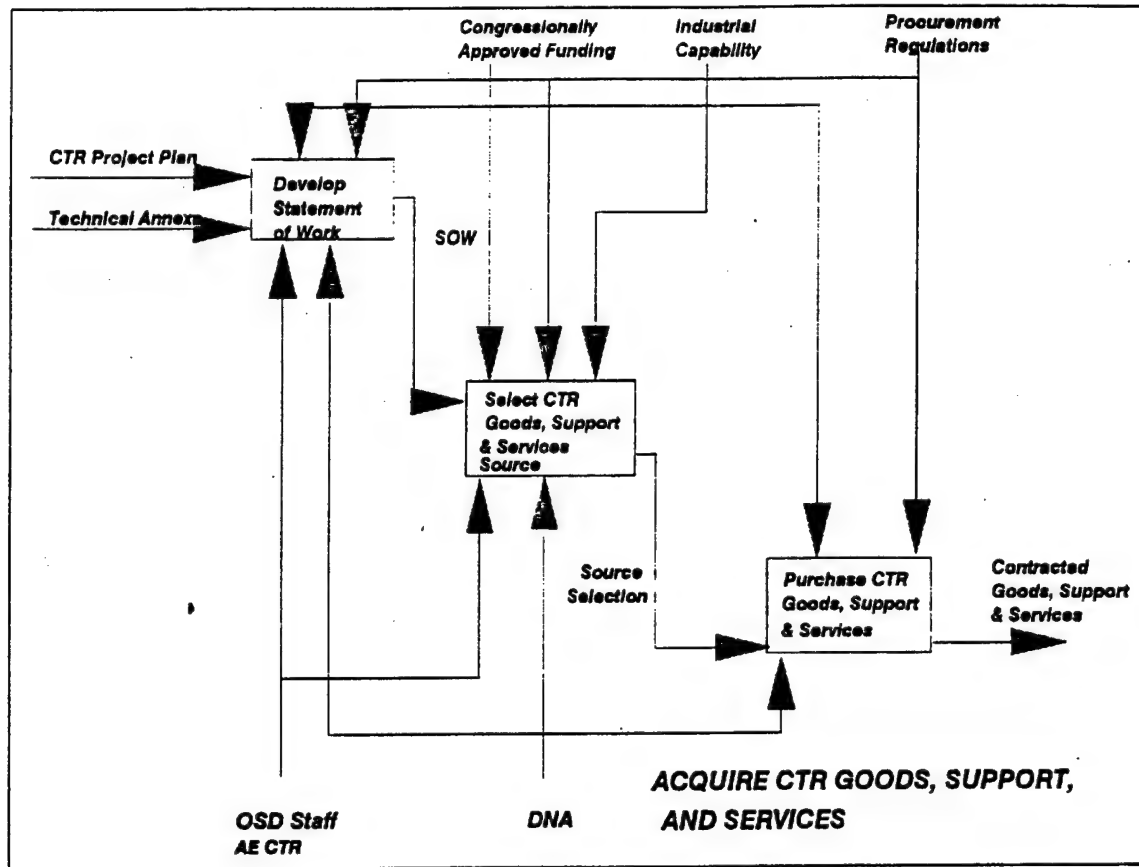


Figure 6

## NEED FOR CORRECTIVE ACTION

The analysis presented on the need for better definition of the boundaries between the CTR Offices at OATSD(AE) and DNA and the impacts occurring under the present conditions, lead us to conclude that some form of action is required to correct the situation.

## ALTERNATIVES

Assuming that some change to the current situation is required to improve the conditions, we postulated three general alternatives regarding the assignment of roles and responsibilities. The alternatives cover a broad range of ways to define the respective roles of the two offices, from more consolidation within one office or the other one, to a more precise definition of the roles and responsibilities within the current general guidance. The three alternatives discussed are:



**Alternative 1:** This alternative retains the basic parameters set forth in the high-level guidance on the roles of the two offices but establishes and enforces more detailed guidance that differentiates the duties between the two offices.

**Alternative 2:** This alternative requires changes in the basic parameters set forth in the high-level guidance in order to assign greater project management and execution responsibilities to DNA and the DNA CTR office while retaining oversight duties within the OATSD(AE)(AE) office. This alternative might require some changes in the current structure.

**Alternative 3:** This alternative requires changes in the basic parameters set forth in the high-level guidance in order to assign greater project management and execution responsibilities to the OATSD(AE) offices while reducing the role played by DNA. This alternative might require some changes in the current structure.

**ALTERNATIVE 1:  
BETTER DEFINITION  
WITHIN CURRENT  
GENERAL  
GUIDANCE**

Alternative 1 retains the current DoD structure for the CTR Offices at OATSD(AE) and DNA, however the alternative requires clearer definition of the roles and responsibilities of the offices. This alternative could be implemented through creation of a written charter approved at the Secretary or Deputy Secretary of Defense level or through a memorandum of agreement between the Assistant to the Secretary of Defense for Atomic Energy and the Director, DNA. Based on our research, we would recommend that the charter or memorandum address the elements set forth in Figure 7. A key element that would need to be addressed in the charter is at what level the OATSD(AE) can task DNA staff. While the elements in the list are not intended to be all inclusive, they attempt to clarify the relative roles of program management and project execution between the two offices.

**Assessment Against  
Organizational  
Criteria**

Consistent with our first criteria, this alternative presents a vehicle for clearly communicating the roles and responsibilities of the respective organization. However, it would have to be properly implemented across the two chains of command. In terms of our second criteria, decentralization consistent with mission accomplishment, meeting this criteria is dependent on the precise assignments that are made. Figure 7 shows the assignment of duties for three Events--holding Technical/Experts Meeting, Constructing Statements of Work and Requests for Proposals, and Source Selection--that delegate authority to the lower level. In this manner, all execution activities after the implementing agreements are signed would be the sole responsibility of DNA.

PROGRAM MANAGEMENT AND PROJECT EXECUTION ROLES		
<u>EVENT</u>	<u>AE CTR PROGRAM OFFICE</u>	<u>DNA CTR PROJECT OFFICE</u>
<b>POLICY</b>	<b>Coordinate</b>	<b>Provide Advice</b>
<b>STRATEGIC PLAN</b>	<b>Prepare</b>	<b>Provide Advice</b> <b>Technical/Cost/Acquisition</b>
<b>INTERAGENCY GROUPS</b>	<b>Represent OSD</b>	_____
<b>PROGRAM PLAN/ BUDGET</b>	<b>Prepare</b>	<b>Provide Input</b>
<b>IMPLEMENTING AGREEMENTS</b>	<b>Lead with ASD (ISP)</b>	<b>Technical Input</b>
<b>TECHNICAL/ EXPERTS MEETING</b>	_____	<b>Lead and Determine Attendees</b>
<b>PROJECT PLANS</b>	<b>Monitor for Compliance with Implementing Agreement</b>	<b>Prepare / Execute</b>
<b>ACQUISITION STRATEGY</b>	<b>Monitor</b>	<b>Prepare / Execute</b>
<b>STATEMENT OF WORK/RFP</b>	_____	<b>Prepare</b>
<b>SOURCE SELECTION</b>	_____	<b>Conduct / Award Contract</b>
<b>DELIVERY OF GOODS/SERVICES FOLLOW ON SUPPORT</b>	<b>Monitor</b>	<b>Execute</b>
<b>AUDIT AND EXAM</b>	<b>Develop Plan/ Coordinate w/OSIA</b>	<b>Provide Accountability Lists</b>

Figure 7

## ALTERNATIVE 2: CONSOLIDATION OF PROGRAM/PROJECT OFFICES

In Alternative 2, the Director of the DNA would be responsible for the CTR program management and execution and be accountable to the Assistant to the Secretary of Defense for Atomic Energy for mission accomplishment. This alternative thus consolidates duties and responsibilities of the OATSD(AE) CTR Office under the DNA CTR Office and the Director of the DNA.

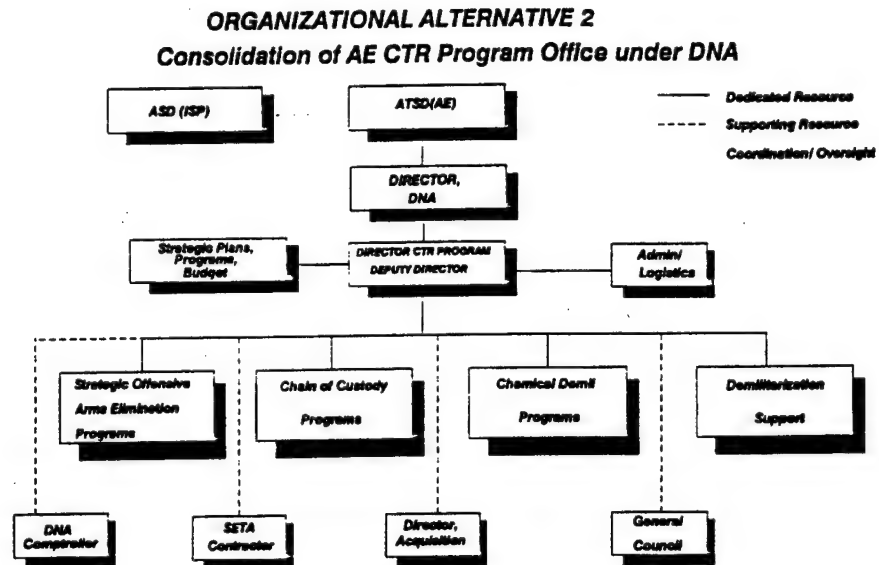


Figure 8

The organizational structure would require changes to account for the new duties. In one possible structure, shown in Figure 8, there would be four line divisions that would be responsible for project execution with support various DNA elements. The CTR Program Management office would consist of the CTR Program Manager and his Deputy; the Strategic Plans, Programs, Budget Division; and the Administration and Logistics Division. The CTR Program Manager functions would be corporate in nature focusing on strategic planning, interface with interagency groups and Congress, and the resolution of policy issues with the Assistant Secretary of Defense for International Security Policy. The Deputy CTR Program Manager functions would be operational in nature, focusing on the day to day operations of the CTR program.

Oversight under this alternative would be performed by the ATSD(AE) and the Assistant to the Secretary of Defense for International Security Policy. The latter official would monitor program progress to ensure that CTR projects are meeting the requirements set forth in the implementing agreements.

**Alternative 2  
Assessment**

In terms of clear communication of roles and responsibilities, Alternative 2 is conducive to the clear definition of authority and structure since it aligns authority, accountability, and responsibility under one organization, and assigns oversight to a separate chain of command. In terms of decentralization, the alternative shifts the responsibility and authority down from the Office of the Secretary of Defense level to the staff at the Agency level where the technical expertise resides. In addition, as in many decentralization actions, combining the two CTR offices could reduce personnel resource requirements by the elimination of a layer of management between the executors of the program and the Program Manager.

On the negative side, such decentralization may cause problems if complex coordination is required. In the CTR process, the need for coordination across the policy sphere would have to be weighed against the advantages of decentralization.

**ALTERNATIVE 3:  
ALL COOPERATIVE  
THREAT  
REDUCTION  
FUNCTIONS  
PERFORMED BY OSD**

Alternative 3 (Figure 9) consolidates the two CTR offices at the OSD level and transfers all support execution functions from the DNA to the DoD and Washington Headquarters Service. Responsibilities for program management and execution would fall under the Deputy Assistant to the Secretary of Defense (Atomic Energy) for CTR. He would be accountable to the ATSD(AE) for successful mission accomplishment.

### ORGANIZATIONAL ALTERNATIVE 3

#### All Functions Performed at OSD

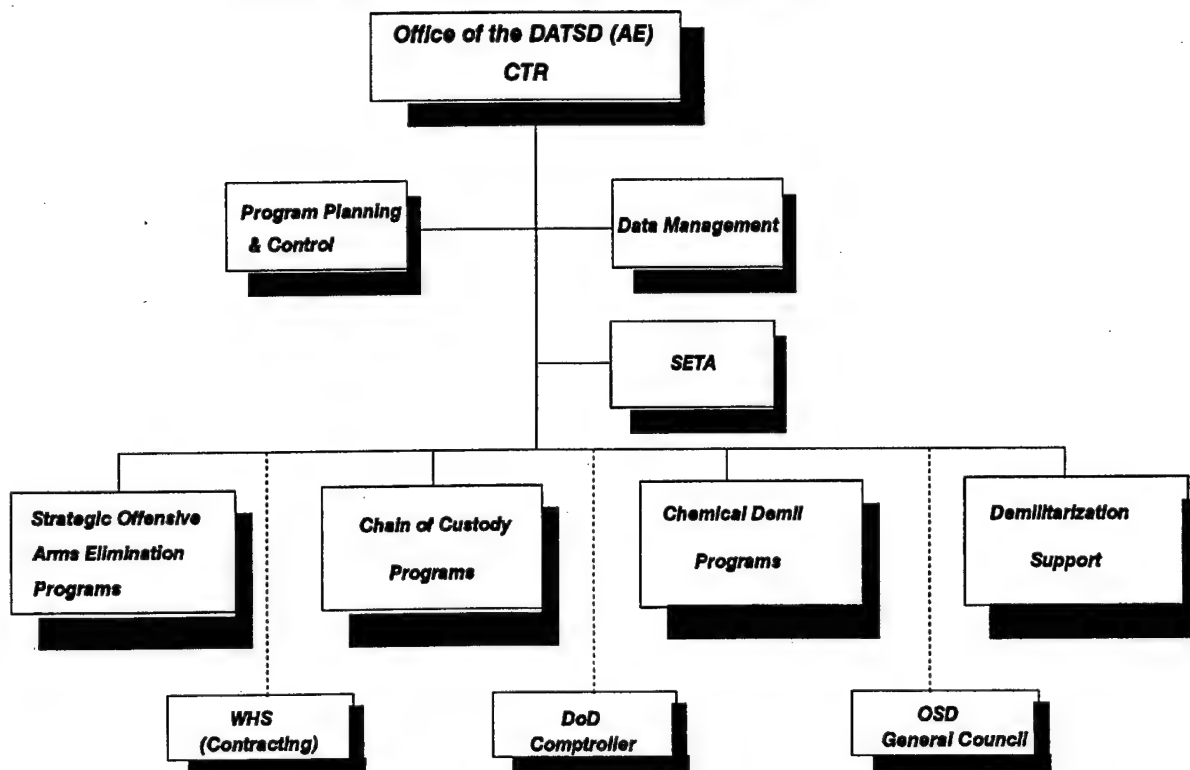


Figure 9

#### Organizational Structure and Oversight

The organizational structure would be similar to the OATSD(AE) CTR Office in that it would consist of four line divisions responsible for project execution; a Program Planning and Control Division for program management; and support services provided by the Office of the Secretary of Defense offices or support agencies. Oversight under this alternative would be performed by the ATSD(AE). The Assistant Secretary of Defense (International Security Policy) would monitor program progress to ensure that CRT projects are meeting the requirements set forth in the implementing agreements.

#### ASSESSMENT OF ALTERNATIVE 3

This alternative presents difficulty clearly communicating roles and responsibility since it intermingles the roles of program oversight and execution within the same OATSD(AE). A clear delineation of duties would have to be established and it might require enforcement from outside the office. The Assistant Secretary Of Defense (International Secretary Policy) might play

a separate oversight role to ensure project execution meets the requirements of the implementing agreements.

This alternative keeps the responsibility for program execution at the highest level on the Office of the Secretary of Defense staff and thus runs counter to the positions taken in the Commission On Roles and Missions. The Alternative does however place technical expertise within the chain of command of high level officials and thus facilitate responsiveness to high level officials.

## SUMMARY OF ALTERNATIVES AND IMPLEMENTATION CONSIDERATIONS

Figure 10 summarizes the three alternatives against our criteria or measures of merit. The figure also provides our assessment against several implementation considerations.

Assessment of Merits of Alternatives and Implementation Considerations			
	Alt 1	Alt 2	Alt 3
<b>Criteria or Measures of Merit</b>			
<i>Ensures clear communication of Roles and Responsibility</i>	<i>YES</i>	<i>YES</i>	<i>YES</i>
<i>Delegates authority and Responsibility to the lowest possible level</i>	<i>varies</i>	<i>YES</i>	<i>NO</i>
<b>Implementation Consideration</b>			
<i>Complies with Congressional Intent</i>	<i>YES</i>	<i>YES</i>	<i>YES</i>
<i>Could be implemented by OATSD(AE) and DNA without higher-level intervention</i>	<i>varies</i>	<i>NO</i>	<i>NO</i>
<i>Uses Existing Expertise in OATSD(AE) and DNA</i>	<i>YES</i>	<i>YES</i>	<i>NO</i>

Figure 10

### MERITS OF ALTERNATIVES

To sum up the assessment of each alternative against the criteria, Alternative 1 (current structure with more detailed

definitions) provides for clear communication of roles and responsibilities. The degree to which it delegates responsibilities to the lowest levels varies according to the specific assignments. Alternative 2 (greater project management and execution responsibilities to DNA) provides for clear communication of roles and responsibilities and delegates authority to the lower levels among the two structures. Alternative 3 (greater project management and execution responsibilities to OATSD(AE)) permits clear definition of roles and responsibilities but does not delegate responsibilities to the lower levels among the two structure.

## **IMPLEMENTATION CONSIDERATIONS**

In terms of implementing the options, we addressed three factors: legislative intent, high-level action required, and the use of existing resources. As noted regarding scope limitations, we did not consider political feasibility. None of the alternatives go against the legislative intent of Nunn-Lugar Act, since they are matters for internal DoD organization. Alternatives 2 and 3 require high-level intervention because changes to the basic parameters set forth by the Deputy Secretary of Defense are needed. Alternative 1 could be accomplished without intervention from that level if the ATSD(AE) and the Director, DNA, could agree to an appropriate memorandum of understanding and enforce compliance with it. In the absence of such an agreement, Alternative 1 would also require intervention from the Deputy or Secretary of Defense level. In terms of using existing expertise, only Alternative 3 does not use existing expertise since contracting experts and others not currently present within OATSD(AE) would have to be acquired.

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## **PART IV - CONCLUSION AND RECOMMENDATIONS**

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### **CONCLUSION**

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The primary organizational condition that we discovered during the evaluation was the lack of clear definition for the respective roles and responsibilities of the DNA CTR Office and the OATSD(AE) CTR Program Office. We conclude that this condition is significant enough to require some form of corrective action to provide a clear distinction among oversight, program management, and project execution. Otherwise, risks to the efficient accomplishment of the CTR program are present.

We presented three alternative courses of action. The two most far-reaching alternatives are difficult to implement because they require high level intervention. The second of these also requires the acquisition of personnel with additional expertise. However, the alternative calling for consolidation of program management and execution at the DNA level offers an opportunity for decentralizing and streamlining the CTR process. Such actions are in line with findings of the Commission on Roles and Missions. While we are not recommending either of the more drastic actions, the discussion of them here can serve as talking points to higher authority for improvements to the CTR organization and program.

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### **SUGGESTION**

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We suggest that the Director, DNA, draft a roles, mission, and responsibility charter for the CTR offices in the DNA and the OATSD(AE). The charter should clearly differentiate the duties of program management and project execution and provide for means of resolving disputes. If this charter cannot be established through a memorandum of understanding between the two agencies, approval should be sought from the Secretary or Deputy Secretary of Defense.

## APPENDIX A

### DETAILS ON INTERVIEWS AND DOCUMENTATION

To solicit views concerning the mission, roles, responsibilities of the Defense Nuclear Agency Project Office, we conducted interviews with personnel from the following organizations:

- Defense Nuclear Agency Cooperative Threat Reduction Office
- Defense Nuclear Agency Acquisition Management Office
- Defense Nuclear Agency Comptroller
- Defense Nuclear Agency Inspector General
- Assistant to the Secretary of Defense (Atomic Energy)
- Assistant Secretary of Defense (International Security Policy)
- Onsite Inspection Agency

Documentation collected included:

- Memorandums concerning delegation of Cooperative Threat Reduction responsibilities
- Draft Cooperative Threat Reduction Strategic Plan
- Defense Nuclear Agency Organization and Functions Instructions
- Defense Nuclear Agency briefs on Cooperative Threat Reduction
- Memorandum concerning the Assistant to the Secretary of Defense (Atomic Energy Cooperative Threat Reduction Office
- Applicable General Accounting Office Reviews
- Documents generated through Integrated Computer Aided Manufacturing (ICAM) Definition Language (IDEF0) activity modeling performed at OATSD(AE) as part of the DoD Corporate Information Management initiative. Activity models, such as IDEFO, are used to analyze and document the current business processes that make up a functional activity and isolate problematic areas and specify improvements. Information flows and roles are defined for each activity. Additionally, the systems, people, and equipment that perform the activities are recorded as part of the modeling process.

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